

# HB 124 -- PATIENT FIRST MEDICAID REFORM ACT

SPONSOR: Frederick

This bill establishes the "Patients First Medicaid Reform Act" and defines MO HealthNet savings account (MSA) as an account funded by the department that can be used for medical expenses and qualifying nonmedical expenses as approved by the department. The bill requires the Department of Social Services to seek a Medicaid waiver from the federal Centers for Medicare and Medicaid Services to receive federal funding as a five-year block grant. The department must establish MO HealthNet savings accounts for MO HealthNet enrollees or their families with the state treasurer. The amount deposited in an individual's account must be equal to the amount required to purchase a qualifying individual or family high-deductible policy and fund a portion of a related health savings account (HSA).

A current MO HealthNet recipient or guardian who becomes employed may continue to receive premium supports and MSA deposits as long as the recipient continues to qualify and keeps the same policy. Subsidies must phase out with income until the recipient no longer qualifies for MO HealthNet. The employer of a current MO HealthNet recipient or guardian who enrolls in an employer-sponsored insurance policy must receive premium support payments from the department. Payments must phase out with income until the recipient no longer qualifies for MO HealthNet. A current recipient or guardian must have the option to continue the same health insurance coverage without subsidies; 30% of any unspent funds in an MSA account, including earnings, must vest to a MO HealthNet recipient or guardian who no longer qualifies for MO HealthNet.

A MO HealthNet recipient may apply in writing to the department to use MSA funds in excess of any insurance out-of-pocket maximum for education, job training, child care, or other qualifying nonmedical expenses. The department must respond within seven days to each such request and have a final decision within 30 days. All transactions involving the state must be considered public information and posted in an online database after redaction of personal identifying information. The department must provide an annual report to the General Assembly on cost savings, use of preventive care services, enrollee transition from MO HealthNet, and other appropriation information.